THE PUBLIC SERVICE COMMISSION OF

BEFORE

SOUTH CAROLINA

DOCKET NOS. 96-177-E & 95-1221-E - ORDER NO. 97-94

FEBRUARY 3, 1997

IN RE: Docket No. 96-177-E - Joint Applica- )
tion of Duke Power Company & Broad )
River Electric Cooperative, Inc. for )
Assignment of Certain Service Areas )
in Cherokee County, South Carolina. )

ORDER

AND

Docket No. 95-1221-E - Duke Power Company and Broad River Electric Cooperative, Inc.,

Complainants,

vs.

Board of Public Works of the City of Gaffney,

Respondent.

This matter comes before the Commission on these two Dockets, which have been consolidated for hearing purposes. This proceeding resulted from a long-standing dispute centered in the Cherokee County area between Duke Power Company (Duke), Broad River Electric Cooperative, Inc. (Broad River), and the Board of Public Works of the City of Gaffney (the Board) over various customers in the area who wanted electric service. Docket No. 95-1221-E is a specific complaint docket in which Duke and Broad

River filed a complaint against the Board for attempting to serve certain customers along a route once occupied by a disputed 1985 service line, which was replaced with a new line built in 1993. Docket No. 96-177-E is a joint application by Duke and Broad River for assignment of the disputed area, which is presently unassigned territory.

A hearing was held on both matters on January 15, 1997 at 10:30 a.m. in the Commission's offices, with the Honorable Guy Butler, Chairman, presiding. Duke was represented by Jefferson D. Griffith, III, Esquire, William F. Austin, Esq., and Richard L. Whitt, Esq. Duke presented the direct and rebuttal testimony of William Larry Sheppard and the rebuttal testimony of Steven K. Young. Broad River was represented by E. Crosby Lewis, Esq., and John J. Fantry, Esq. Broad River presented the testimony of W. B. Cook. The Board was represented by Robert T. Bockman, Esq., and presented the testimony of Charles A. Copeland, Donnie L. Hardin, Fred W. Keller, Johnny Cook, and John F. Painter. The Commission Staff (the Staff) was represented by F. David Butler, General Counsel. The Staff presented no witnesses.

At this time, we hold that, based on the evidence presented before us, the complaint of Duke and Broad River against the Board must be denied, and the Emergency Order (Order No. 95-1684) issued by us on November 17, 1995 must be withdrawn. Further, the request for assignment of the unassigned territory by Duke and Broad River must be denied. We believe it to be appropriate at this time to issue this summary Order, so that our intent may be

known. However, we will issue an Order at a later time whereby we fully explain our reasoning in this matter. We felt that it was better to go ahead and rule at this time, rather than wait for preparation of the fully explanatory Order, which will be somewhat detailed. In any event, we believe that this Order documents our ruling in this matter, and an Order with a full explanation will follow.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

(SEAL)